



Memphis Shades, Inc.
125 Morrison Rd
PO Box 429
Rossville, TN 38066

November 3, 2009

To: All Memphis Shades dealers

Re: Memphis Shades' Advertising Policy

Dear Memphis Shades dealer:

Memphis Shades' Advertising Policy was established to prevent the advertising of Memphis Shades products at discounted prices in any medium including print, radio, electronic media, telecommunication, internet or online auction, in order to preserve dealer margins on Memphis Shades products.

Memphis Shades is committed to expend the effort and resources to evenly enforce this policy.

Please take a moment to read the enclosed Advertising Policy bulletin.

Best regards,

Memphis Shades, Inc.

A handwritten signature in black ink that reads "Allen Mueller".

Allen Mueller
President



ADVERTISING POLICY

TO: All Memphis Shades Dealers

FROM: Allen Mueller, President, Memphis Shades

DATE: November 3, 2009 (Effective with all February 2010 issue magazine ads, 2010 catalogs, and all other media advertisings as of January 1, 2010)

Memphis Shades is committed to preserving the goodwill, market value, reputation and image of the Memphis Shades product line, and, to ensuring that Dealers who sell Memphis Shades Products remain as successful as possible.

Trade names, trademarks, copyrights and patents must be protected and in order to monitor their use the following advertising policy has been adopted.

Authorized Dealers may sell the products bearing the Trademarks (the "Products") at any price in their sole discretion. However, Memphis Shades believes that advertising products bearing the Trademarks below the suggested retail price undermines the reputation and image of the Products. Therefore, Memphis Shades does enforce an Advertising Policy, which is intended to preserve the goodwill, market value, reputation, and image of Memphis Shades Products and Trademarks.

Authorized Dealers may use the Memphis Shades Trademark, or any similar marks or derivatives thereof, or any Copyrighted Materials, in connection with any advertising, publication, catalog, web page, or other printed, audio, video, or electronic materials as long as no Trademarks, Trademarked Products or Copyrighted Material are used or shown in any advertisement, catalog, or publication, whether printed, audio, video, or electronic where the price used is lower than the suggested retail price as published by Memphis Shades.

Advertising practices that have the effect of reducing the advertised price below the MSRP, such as, for example, combining a product carrying the Memphis Shades trade name with a "free" product or in a "package" with other products or with a discount coupon or promotional code and discounts with membership also violate the advertising policy. Advertisements containing phrases such as "click for price", "email for price", "email for best offer", "call for price", or other similar phrases imply that the price will be below the suggested retail price and are a violation of the advertising policy. **An advertisement that offers or implies a price lower than the suggested retail price on Memphis Shades Products will be in violation of the Advertising Policy.** Memphis Shades Products embody distinctive industrial designs and multiple patented features that are identifiable by anyone reasonably familiar with aftermarket brands. To advertise with pictures and descriptions of Memphis Shades Products for less than MSRP violates Memphis Shades Advertising Policy. This Advertising Policy is not applicable to any in-store displays or signs.

For the purposes of this Advertising Policy, “advertisement” is defined as any advertisement, announcement, information, publication or notice given or made by a Dealer in connection with the solicitation of business or sales of the Products covered by Memphis Shades’ Advertising policy in whatever medium is now known or hereafter developed including print, radio, electronic media, telecommunication, internet or online auction. For purposes of internet sales, the entire web site, including the “shopping cart” or similar web site location, will be considered part of the “advertisement” if it can be accessed by links contained on or within the web site.

It is a violation of the Advertising Policy for any Dealer to support, supply or in any way facilitate other dealers, distributors or retailers who advertise in violation of the Advertising Policy.

This policy does not apply to discontinued products. If a product is no longer listed on Memphis Shades’ web site then the product is deemed to be discontinued and a Dealer may advertise using a price other than the previously listed suggested retail price, provided that the Dealer clearly indicates in its advertisements that it is a discontinued product.

If a dealer violates the Advertising Policy, Memphis Shades will enforce this Policy in the following manner:

FIRST OFFENSE: Dealer will receive a documented notice of violation (“Notice”) and will be given thirty (30) calendar days to remove the offending print advertisements from publication and distribution and three (3) business days to remove any offending electronic advertisements from web pages or Internet sales sites, e.g., regarding internet sales, if a dealer is given notice on Monday then it will have until 8 A.M. CST Friday to be in compliance.

SECOND OFFENSE: Dealer will receive a Notice and will be placed on a non-ship basis for a period of thirty (30) days from the date of the Notice.

THIRD OFFENSE: Dealer will receive a Notice and will be placed on a non-ship basis for a period of ninety (90) days from the date of the notice. Dealer will not be permitted to use Memphis Shades Copyrighted material including, but not limited to, product images.

FOURTH OFFENSE: Dealer will receive a notice and will be placed on a non-ship basis indefinitely.

Memphis Shades grants to its Dealers a revocable, non-exclusive, non-transferable worldwide license, for as long as the Dealer is selling products carrying the Trademarks and Copyrighted Materials, provided the dealer complies with this Advertising Policy. Such limited license does not include the right of the Dealers to register the Trademarks as or within domain names or to use the Trademarks in Dealer trade names.

Memphis Shades further grants to its Dealers a revocable, non-exclusive, non-transferrable license, for as long as the Dealer is selling products carrying the Trademark, to reproduce, distribute, and display Copyrighted Materials in order to promote and sell Memphis Shades Products worldwide. Any Use of the Trademarks or Copyrighted Materials shall be accompanied, where appropriate, by an appropriate attribution identifying Memphis Shades, Inc. as the owner of the Trademark and/or Copyrighted Materials so used. Dealer recognizes that Memphis Shades has the exclusive right to all Trademarks used by Memphis Shades to identify its products and dealer agrees that it will not claim any right, title or interest therein. Nothing herein shall be construed to give Dealer any right, title or interest in the Trademarks or Copyrighted Materials.



Any violations of this Policy and/or any apparent unauthorized use of the trademarks or Copyrighted Materials should be reported to Memphis Shades at P.O. Box 429, Rossville, TN 38066
adpolicy@memphisshades.com or 901-853-3668

(posted 8-30-11)